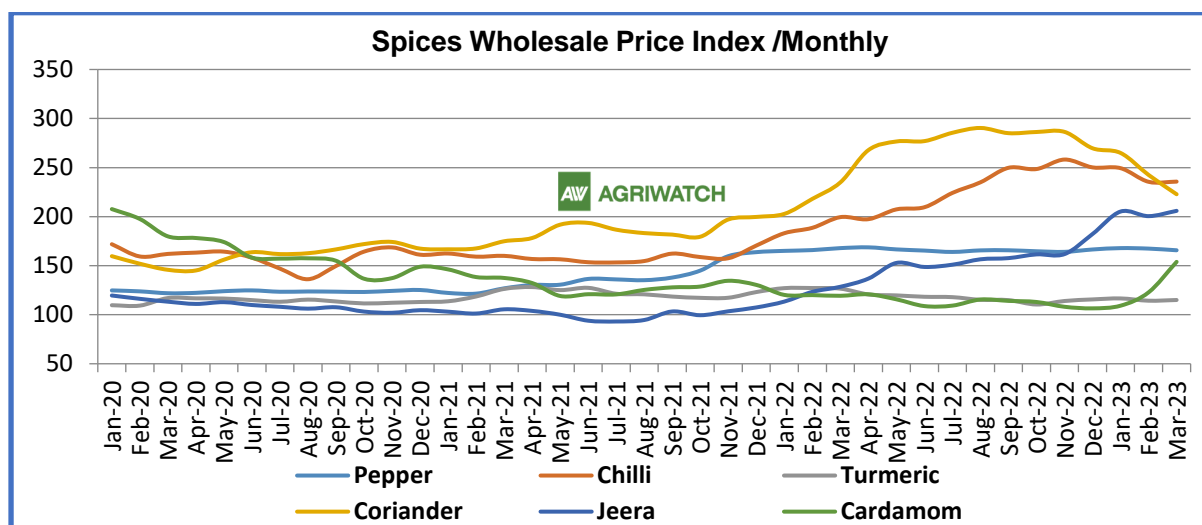

Red Chilli Weekly Research Report

AGRIWATCH

Spices Wholesale Price Index /Monthly

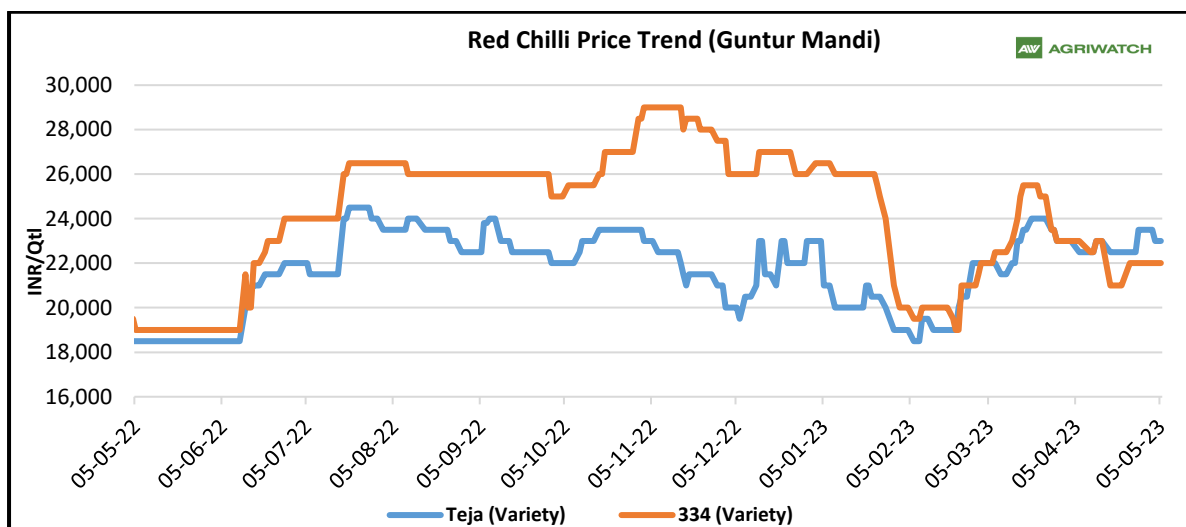


Months	Pepper	Chilli	Turmeric	Coriander	Jeera	Cardamom
Jan-23	167.9	249.4	116.6	264.9	205.2	109.2
Feb-23	167.4	235.5	114.3	242.5	200.5	122.8
Mar-23	165.7	235.7	115	222.8	205.9	153.9
Change Over Previous Month	-1.7	0.2	0.7	-19.7	5.4	31.1

Source - MINISTRY OF COMMERCE & INDUSTRY. Base year – 2011-12

FUNDAMENTAL ANALYSIS

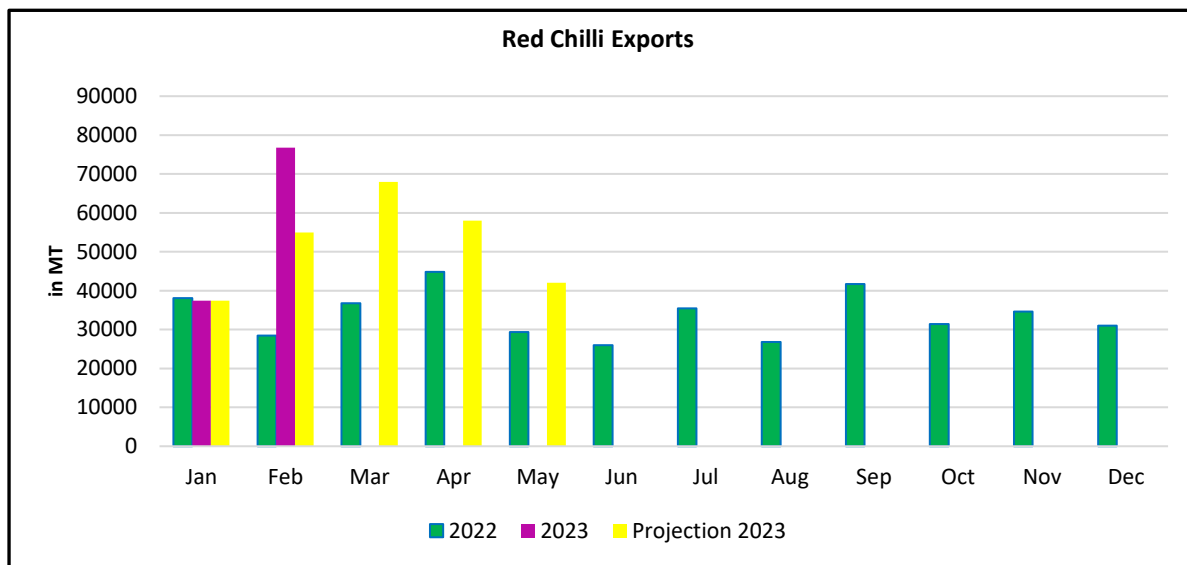
RED CHILLI



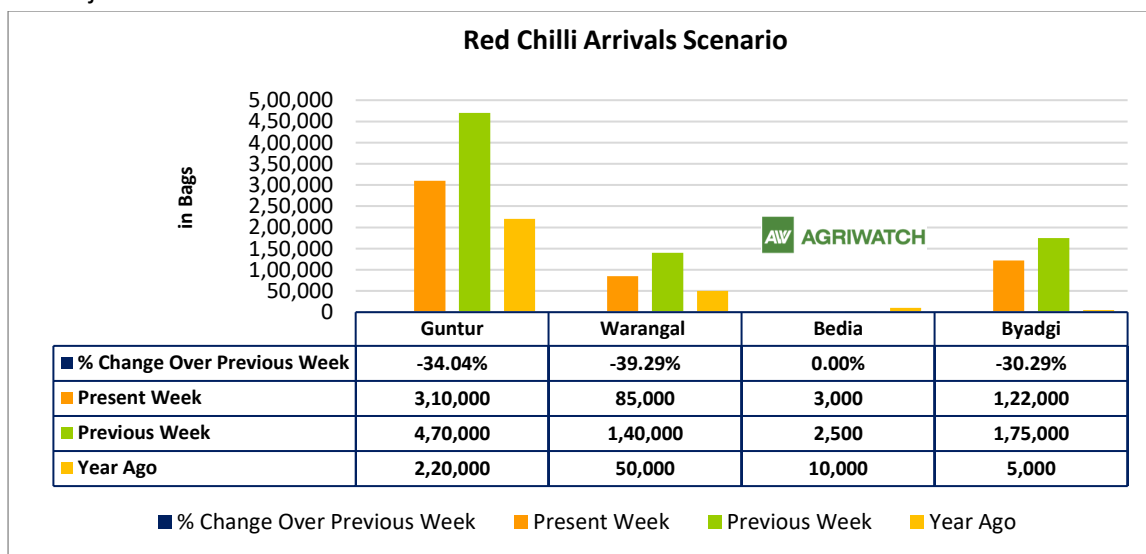
- Mixed sentiment was witnessed in the Red Chilli spot market during the week under review.
- Prices are anticipated to decline by INR 1,000-1,500 per quintal in the coming week due to the significant supply pressure.
- However, there is good export demand (but continuous arrivals will not affect the prices much) while masala companies and Chilli Oleoresin companies are not in a hurry for buying in the wake of expected further decline in prices.
- By the next week cold storages in Karnataka are expected to reach their full capacity, and a significant number of bulk stocks will need to be stored outside the cold storage due to higher production.
- In AP, around 98 cold storages have total capacity of around 89,32,000 bags and as per trade sources, as of now they are filled with 42,89,334 bags stocks.
- The recent heavy rainfall in Southern India has had a significant impact on dried red chilli, which is typically left out in mandis for drying. However due to good storage capacity in most mandis, the excessive moisture is expected to have a minor effect.
- While in Palnadu district in AP, where farmers dry their crops in the field, the situation is different, and the chillies are likely to have higher moisture content. This is expected to result in an increase in inferior quality arrivals in the cash markets, while prices of premium quality chillies are expected to rise in the upcoming months.
- AgriWatch expects, sowing for the upcoming season (2023-24) in Karnataka producing districts will commence by the end of June or in the first week of July. Due to the higher price range, there is a possibility that the area under Chilli cultivation may increase in the district.

Outlook: -

For the next week, the price range for Red Chilli 334 quality (S4) in the Guntur market is expected to be between INR 17,000 to INR 21,000 per quintal (low to high).



- AgriWatch anticipates a decline in export demand for April and May 2023, with volumes expected to reach approximately 0.58 million LMT and 0.42 LMT respectively.
- This is because buyers and importers will be waiting for prices to correct, particularly for the 334 and Teja varieties.



- Due to bad weather and heavy rainfall Red Chilli arrivals in most of the cash markets have declined during the week under review.
- Agriwatch forecasts that bulk quantity arrivals will persist in the upcoming week as farmers and stockists are in the fear of decline in prices due to higher production.

Red Chilli Spot Prices Weekly Change, Loose Prices (Rs/Qtl)							
State	Centre	Grade	% Change Over Previous Week	Today	Week Ago	Month Ago	Year Ago
				05-May-23	28-Apr-23	05-Apr-23	05-May-22
Andhra Pradesh	Guntur Benchmark market	NCDEX Quality	Unch	18000	18000	21000	17000
		LCA 334	Unch	22000	22000	23000	19000
		Teja	-2.13	23000	23500	23000	18500
		No. 273	5.00	21000	20000	23000	20000
		No. 5	Unch	22000	22000	24000	21000
		Fatki	3.70	14000	13500	16000	11000
		Byadgi	Unch	27000	27000	30000	22000
		US 341	Unch	21500	21500	23000	22500
		Denvor Delux	Unch	20000	20000	23500	21000

		Indam 5	Unch	22000	22000	24000	20000
Telangana	Warangal	Teja	-2.33	21000	21500	23000	17000
		Wonder Hot	1.23	33000	32600	35000	26000
		341	7.50	21500	20000	22800	24000
		Denvor Delux	7.50	21500	20000	22800	23800
		Paprika	-7.69	60000	65000	75000	55000
		Fatki	3.85	13500	13000	17000	10000
	Khammam	Teja (Cold storage)	--	NA	NA	NA	NA
		Teja (Non-Cold storage)	-1.30	22700	23000	23500	18800
Madhya Pradesh	Bedia	No. 12	-8.00	23000	25000	27000	NA
		Fatki	6.67	16000	15000	17000	11000
		Jhankar	-15.79	16000	19000	23000	NA
Delhi	New Delhi	Teja(Khammam)	2.00	25500	25000	26500	21800
		LCA 334	Unch	24500	24500	26000	18500
		Fatki	Unch	13000	13000	14500	7500
Karnataka	Byadgi	2043 Best	Unch	33000	33000	47000	28500
		5531 Best	Unch	14000	14000	17000	18000
		Dabbi Dlx Local	-5.56	51000	54000	65000	35000
		KDL Best(Local)	-5.41	42000	44400	55000	28000
		KDL Fatki	-9.09	10000	11000	11000	3500

TECHNICAL ANALYSIS

RED CHILLI – Technical Outlook

Guntur LCA 334 Spot prices -Weekly time frame

Technical Chart:



Technical Commentary:

- During the week under review Red Chilli market remained steady at INR 22,000. RSI at 43, indicating weak buying strength. MACD is indicating steady to weak momentum.

Strategy: Sell		S2	S1	PCP	R1	R2
NCDEX	May	18000	19000	22000	23500	24000
Weekly Trade Call		Call	Entry	T1	T2	SL
NCDEX	May	Sell	Above 22000	21000	20000	23000

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